

Official Statement

Los Alisos Water District

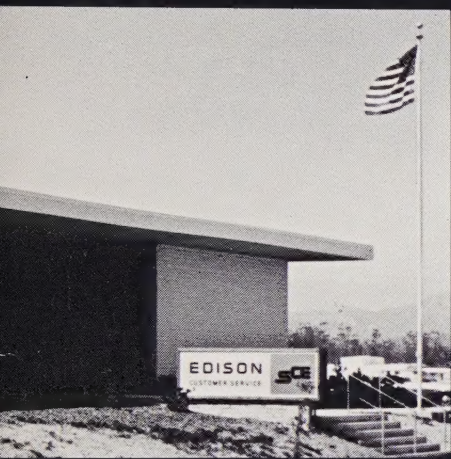
Orange County, California

\$8,650,000

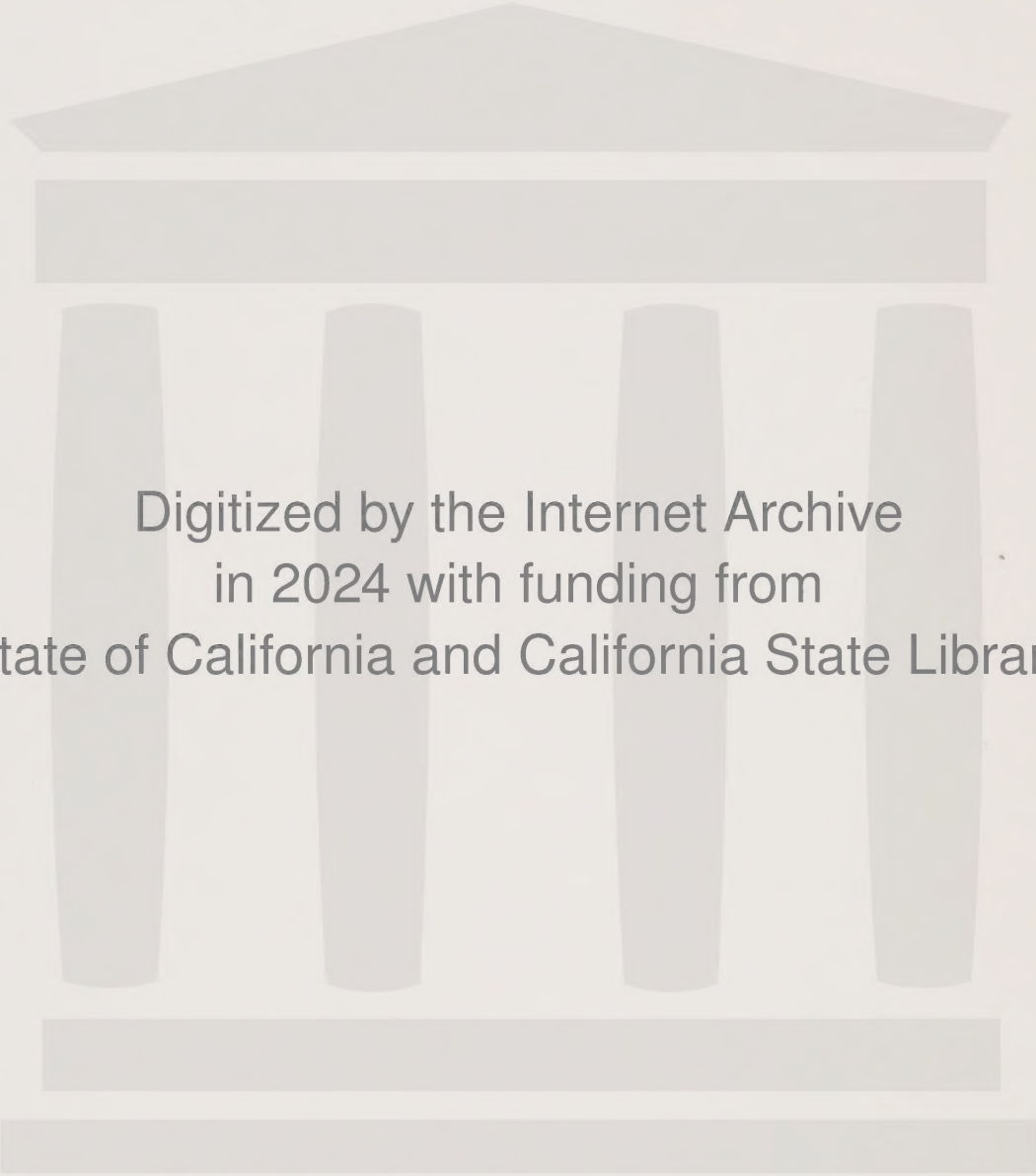
1978 Refunding Bonds

(General Obligations)

78 01312



Bids to be received by the Secretary of the District
on or before 11:00 a.m., Wednesday, March 22, 1978, in the
Thirty-sixth Floor Conference Room of O'Melveny & Myers,
611 West Sixth Street, Los Angeles, California



Digitized by the Internet Archive
in 2024 with funding from
State of California and California State Library

<https://archive.org/details/C123309471>

LOS ALISOS WATER DISTRICT
Orange County, California

BOARD OF DIRECTORS

A. J. West, *President*

Alwin V. Dierker

G. D. Stringer

H. C. Johnson

W. F. Tritt

E. T. McFadden, Jr., *General Manager-Secretary*

Allen R. Smith, *Treasurer*

Don R. Adkinson, *Attorney*

PROFESSIONAL SERVICES

O'Melveny & Myers, *Los Angeles*

Bond Counsel

Boyle Engineering Corporation

Consulting Engineers

Bank of America N.T. & S.A., *Los Angeles and San Francisco*

Escrow Bank and Principal Paying Agent

Citibank, N.A., *New York, New York*

Continental Illinois National Bank, *Chicago*

Paying Agents

Stone & Youngberg Municipal Financing Consultants, Inc., *San Francisco and Los Angeles*

Financing Consultants

THE DATE OF THIS OFFICIAL STATEMENT IS FEBRUARY 22, 1978

78 01312

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

SEP 06 2024

UNIVERSITY OF CALIFORNIA

LOS ALISOS WATER DISTRICT

February 22, 1978

TO WHOM IT MAY CONCERN:

The purpose of this Official Statement is to supply information to prospective bidders on and buyers of \$8,650,000 of Los Alisos Water District 1978 Refunding Bonds, authorized and issued for the purpose of refunding \$8,305,000 of 1975 Sewer Bonds, Series A of the District and of paying the expenses incidental thereto.

The material contained in this Official Statement was prepared by Stone & Youngberg Municipal Financing Consultants, Inc., in the capacity of financing consultants to the Los Alisos Water District, and said firm will receive compensation from the District contingent upon the sale and delivery of the Bonds. Summaries herein presented of the Resolution of Issuance, Notice Inviting Bids, Escrow Agreement, financial and economic data do not purport to be complete, and reference is made to the documents on file in the office of the Secretary of the District for further information. Statements which involve estimates or opinions, whether or not expressly so described herein, are intended solely as such and are not to be construed as factual reports.

The Official Statement does not constitute a contract with the buyers or holders, from time to time, of the Bonds. The Resolution of Issuance, which does constitute such a contract, is available to any prospective bidder on request from said Secretary.

The legal opinion, approving the validity of the Bonds, will be furnished by O'Melveny & Myers, Los Angeles, California, Bond Counsel to the District, (see "Legal Opinion"). Bond Counsel's participation in the review of this Official Statement has been limited to reviewing the statements of law and legal conclusions as set forth herein under the caption "The Bonds."

No dealer, broker, salesman or other person has been authorized by the District to give any information or to make any representations other than those contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of any offer to buy nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

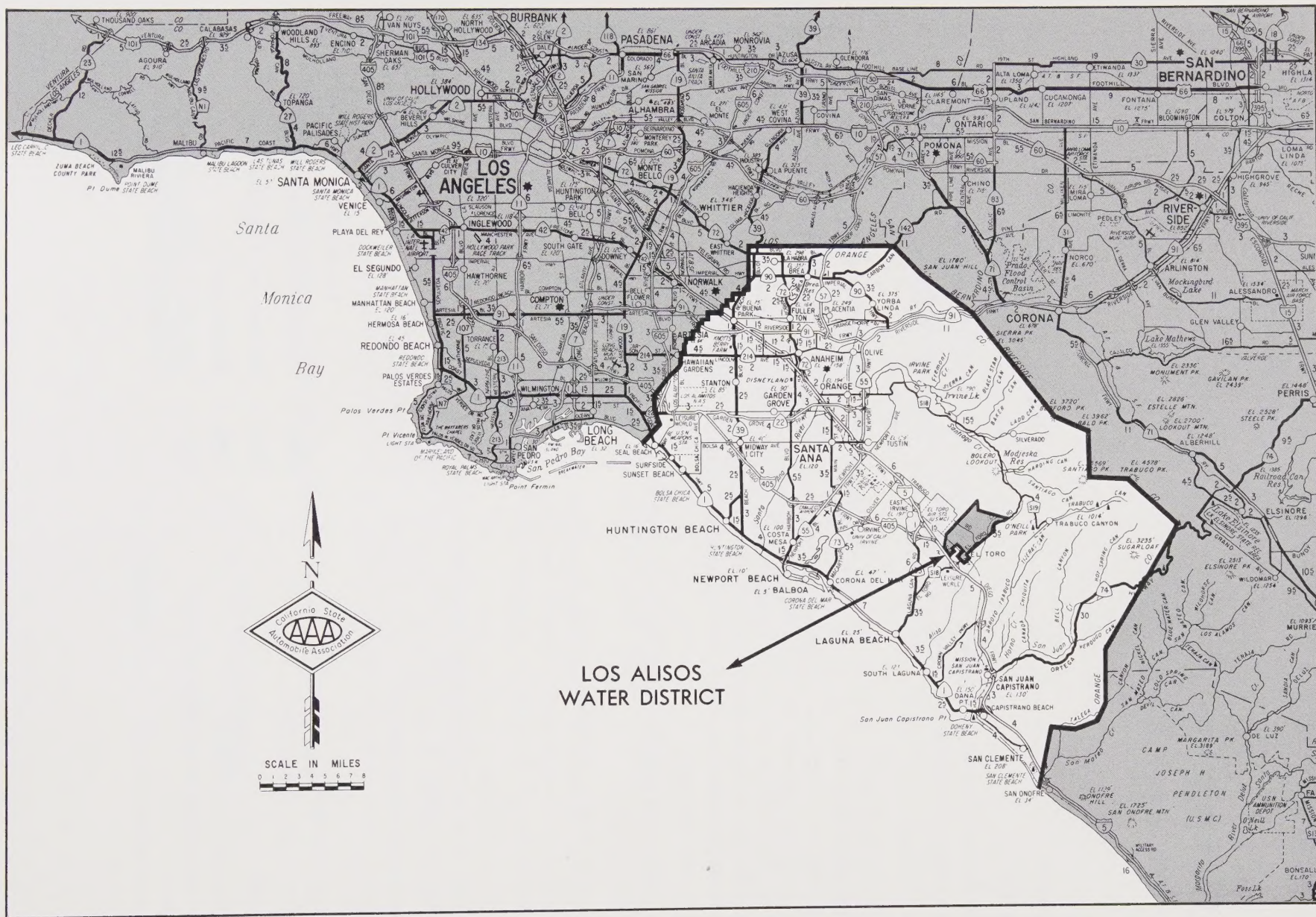
The execution and distribution of this Official Statement have been duly authorized by the District.

LOS ALISOS WATER DISTRICT

E. T. McFADDEN, JR., *General Manager-Secretary*

CONTENTS

Introduction	1	The District	13
The Bonds	2	Organization and Operation	13
Authority for Issuance	2	Employee Retirement Plan	13
State Treasurer Approval	2	Climate and Topography	13
Sale of Bonds	2	Population	13
Description of Bonds	2	Aliso Water Management Agency	15
Redemption Provisions	3	Wastewater Treatment and Treated Waste- water Use	15
Registration	3	Residential Development	17
Purpose of the Issue	3	Land Ownership	18
Legal Opinion	3	Employment	18
Tax Exempt Status	3	Commerce	20
Legality for Investment	4	Financial Institutions	20
Escrow Bank and Principal Paying Agent ..	4	Utilities	20
Creation of Funds	4	Industry	20
Disposition of Bond Proceeds	4	Transportation	22
Security	4	Education	22
Reserve Fund	5	Community Facilities	22
Investment of Funds	5	Orange County	23
Proposed Property Tax Limitation Constitu- tional Amendment	5		
Estimated Annual Bond Service	6		
Financial Data	7		
Assessed Valuation	7		
Tax Levies and Delinquencies	8		
Tax Rates	8		
Revenues and Expenditures	9		
Direct and Estimated Overlapping Bonded Debt	9		
		T A B L E S	
		Table 1. Estimated Annual Bond Service ...	6
		Table 2. Revenues and Expenditures	10
		Table 3. Balance Sheet	11
		Table 4. Statement of Direct and Estimated Overlapping Bonded Debt	12



Basic map reproduced by permission of the California State Automobile Association, copyright owner.

Vicinity map. Los Alisos Water District and Orange County in relation to the Los Angeles-Orange County Metropolitan Area.

INTRODUCTION

The Los Alisos Water District was organized in October 1960 under the provisions of the California Water District Law (Sections 34000 et seq. of the Water Code of the State of California).

The District covers an area of 5,380 acres in south central Orange County, adjacent to the El Toro Marine Corps Air Station and Interstate 5, the main north-south route through the State. The southern portion of the District is traversed by the Atchison, Topeka and Santa Fe Railway line between Los Angeles and San Diego. It is located 40 miles southeast of Los Angeles, 10 miles southeast of Santa Ana, the County seat, and 10 miles inland from the Pacific Coast. The District population is currently estimated to be 21,203.

District taxes are assessed against the value of land only. The assessed valuation of the District has increased steadily since its formation, raising from \$403,270 in 1963/64 to \$43,671,920 in 1977/78. The 1977/78 assessed valuation of all property in the District is \$92,516,470.

The growth in assessed valuation has resulted primarily from residential activity. During the past eight years the number of occupied dwelling units within the District increased by 5,581, from 477 at the end of 1969 to 6,058 in 1977. The largest single development is the Lake Forest Planned Community, a project of Occidental Land, Inc., a subsidiary of the Occidental Petroleum Corporation. However, independent builders are also active in the District.

On September 30, 1961, the Los Alisos Water District, the El Toro Water District, and the Orange County Municipal Water District entered into a joint powers agreement for the construction of a joint water transmission pipeline known as the "Santiago Aqueduct" from the existing Santiago Lateral of the Metropolitan Water District. The aqueduct, which was completed in July 1962, extends some 15 miles and passes through Los Alisos to the El Toro Water District. Local water storage and distribution facilities were completed and are in service. The Dis-

trict's share of the aqueduct cost and the cost of local water facilities was paid from the proceeds of the \$1,410,000 of water bonds, sold June 1, 1961. Additional water bonds were issued in 1968 (\$2,300,000), 1971 (\$2,530,000) and 1978 (\$8,800,000) to finance expansion of water treatment, storage and distribution facilities.

Sewerage facilities for the District were initially financed by a bond issue in May 1964 in the amount of \$1,150,000. In October 1964, a second issue of \$1,600,000 provided funds to increase the District's sewage treatment plant capacity and provide additional trunk sewers. On April 30, 1975 the District sold \$9,985,000 of 1975 Sewer Bonds, Series A, to finance the District's share of a regional wastewater treatment and disposal project known as the Aliso Water Management Agency (AWMA) Project.

At the time of the sale of the 1975 issue interest rates were extremely high and the interest rate on the 1975 Series A Bonds was 8.00 percent. A total of \$8,305,000 of 1975 Bonds maturing April 15, 1988 through April 15, 2005 are subject to call and redemption on April 15, 1987. By anticipating such redemption at this time substantial debt service savings will accrue to the District.

A total of \$8,650,000 of 1978 Refunding Bonds are to be issued which will provide funds to redeem the callable bonds and pay the call premium (\$234,087.50) on April 15, 1987. From the time of their issuance until April 15, 1987 the 1978 Refunding Bonds will be secured by an Escrow Fund in an Escrow Bank. Interest payable on the 1978 Refunding Bonds will be paid from interest earnings on securities held in the Escrow Fund from their date to and including April 15, 1987. After the call and redemption of the 1975 Bonds on April 15, 1987, the 1978 Refunding Bonds will be secured by annual ad valorem assessments on all assessable lands within the District.

From the proceeds of the 1978 Refunding Bonds \$8,539,100 will be deposited in the Escrow Fund to be used to pay the costs of redeeming the 1975 Bonds on April 15, 1987. The balance of the proceeds will be placed in the Refunding Expense Fund and used to pay the costs of issuance of the 1978 Refunding Bonds.

The Escrow Fund will be held by the Escrow Bank, Bank of America NT & SA. Money in the fund will be invested in direct obligations of the United States of America (State and Local Government Series) maturing on or before April 15, 1987.

THE BONDS

Authority for Issuance

The \$8,650,000 principal amount of Los Alisos Water District 1978 Refunding Bonds are being issued pursuant to Resolution No. 78-9 adopted by the District Board of Directors on February 22, 1978. Authority to issue the bonds is contained in the California Water District Law (Division 13 of the Water Code of the State of California, commencing with Section 34000) and Articles 9 and 11, Chapter 3, Part 1, Division 2, Title 5 of the Government Code of the State of California, commencing with Section 53550.

State Treasurer Approval

The law requires that the sale of any issue of bonds by the District must first be approved by the State Treasurer based on the recommendation of the District Securities Advisory Commission. An application for permission to sell the Bonds has been made to the Commission and approval for the sale is expected at the March 17, 1978 meeting of the Commission. Upon issuance of the Bonds the District must submit annually a detailed report to the District Securities Division of the State Treasurer's office disclosing its financial transactions and other activities.

Sale of Bonds

Sealed bids for the purchase of the Bonds will be received and opened on Wednesday, March 22, 1978 at 11:00 a.m. (P.S.T.) in the Thirty-sixth Floor Conference Room of O'Melveny & Myers, 611 West Sixth Street, Los Angeles, California 90017. It is expected that the bids will be referred to the Board of Directors for action at a meeting to be held later that day at the District office. Details of the terms of sale are contained in the Official Notice Inviting Bids adopted February 22, 1978.

Description of Bonds

The Bonds will be in the denomination of \$5,000, all dated April 15, 1978, and numbered 1 to 1730.

Bonds are to mature in consecutive numerical order on April 15 in each of the years and in the amounts shown by the following schedule of maturities.

SCHEDULE OF MATURITIES

Maturity Date April 15	Principal Maturing	Maturity Date April 15	Principal Maturing
1988 ...	\$340,000	1996 ...	\$565,000
1989 ...	365,000	1997 ...	600,000
1990 ...	385,000	1998 ...	640,000
1991 ...	410,000	1999 ...	685,000
1992 ...	440,000	2000 ...	725,000
1993 ...	465,000	2001 ...	775,000
1994 ...	500,000	2002 ...	825,000
1995 ...	530,000	2003 ...	400,000

Interest will be payable by coupon semiannually on October 15 and April 15, beginning October 15, 1978.

Principal and interest on coupon bonds are payable at the office of the Treasurer of the District or at the offices of the paying agents of the District, the Bank of America NT & SA, Los Angeles and San Francisco, California, Continental Illinois National Bank, Chicago, Illinois and Citibank, N.A., New York, New York. In the case of registered bonds principal and interest are payable by the Corporate Agency Division of the Bank of America NT & SA in Los Angeles, California.

Redemption Provisions

The Resolution of Issuance provides that the \$1,090,000 of bonds maturing on or before April 15, 1990, are not subject to call for redemption prior to their fixed maturity date. The \$7,560,000 of bonds maturing on and after April 15, 1991 are subject to call and redemption as a whole or in part in inverse order of maturity and by lot within each maturity at the option of the District on any interest payment date on and after April 15, 1990, upon payment of the principal amount and interest to the date of redemption plus a premium equal to one quarter of one percent of the principal amount for each year or intervening fraction of a year remaining between the redemption date and the maturity date.

Notice of redemption is to be published once at least 30 but no more than 60 days before the redemption date in a financial journal circulated in

New York City and is to be mailed to all holders of registered bonds to be called for redemption provided, that if all the bonds to be redeemed are registered no notice of redemption need be published.

Registration

The Bonds will be issued as coupon bonds or as fully registered bonds registrable only as to both principal and interest and with the privilege of exchange, all at the option of the holder, under terms of the Resolution of Issuance.

Purpose of the Issue

The \$8,650,000 1978 Refunding Bonds currently being offered for sale will be used to (a) refund \$8,305,000 principal amount of Los Alisos Water District 1975 Sewer Bonds, Series A maturing by their terms on April 15, 1988 through April 15, 2005 and all subject to call and redemption on and after April 15, 1987 and (b) pay the redemption premium of \$234,087.50 applicable thereto and (c) expenses of issuance estimated at \$110,912.50.

Legal Opinion

The opinion of O'Melveny & Myers, Los Angeles, California, bond counsel for the Los Alisos Water District, attesting to the validity of the Bonds will be supplied free of charge to the original purchasers of the Bonds. A copy of the legal opinion, certified by the official in whose office the original is filed, will be printed on each bond without charge to the successful bidder.

The statements of law and legal conclusions set forth under the heading "The Bonds" have been reviewed by bond counsel. Bond counsel's employment is limited to the review of the legal proceedings required for the authorization of the Bonds and to rendering an opinion as to the validity of the Bonds and the exemption of interest on the Bonds from income taxation. The opinion of bond counsel will not consider or extend to any documents, agreements, representations, offering circulars or other material of any kind concerning the Bonds not mentioned in this paragraph.

Tax Exempt Status

In the opinion of bond counsel, the interest on the Bonds is exempt from present federal income taxes and from State of California personal income taxes under existing statutes, regulations, and court decisions.

Legality for Investment

It is expected that the Bonds will be certified by the State Treasurer of the State of California, pursuant to the investigation by the State Treasurer, as legal investments in California for all trust funds and for the funds of all insurance companies, commercial banks, savings banks subject to Section 1359 of the Financial Code, trust companies, the State, school funds and any funds which may be invested in county, municipal or school district bonds, and as eligible security for the deposit of public moneys in banks in the State.

However, notwithstanding such certification, in the opinion of bond counsel, the eligibility of the Bonds at the time of their issuance for the investment of funds of commercial or savings banks, as such, is subject to the provisions of the Financial Code of the State of California. The Bonds are believed by the District to be not presently eligible for investment by commercial and savings banks under the provisions of the Financial Code.

Escrow Bank and Principal Paying Agent

The Resolution provides that the Bank of America NT & SA will act as both Escrow Bank and principal paying agent for the Refunding Bonds. During the period the 1975 Sewer Bonds, Series A, are outstanding the bank will hold the proceeds of the Refunding Bonds together with interest earned from the investment of the proceeds and pay interest on the Refunding Bonds as it becomes due.

After the 1975 Sewer Bonds Series A have been redeemed the bank will continue to act as paying agent for the Refunding Bonds, paying bond interest and principal as they become due.

Creation of Funds

The Resolution of Issuance of the Bonds requires the establishment of the following funds which are described in the following sections of this Official Statement:

1. General Obligation Bond Fund (held by the District Treasurer)
2. Reserve Fund (held by the District Treasurer)
3. Refunding Expense Fund (held by the District Treasurer)
4. Escrow Fund (held by the Escrow Bank)

Disposition of Bond Proceeds

The Resolution provides that the proceeds from the sale of the Refunding Bonds shall be used as follows:

FUNDS HELD BY THE ESCROW BANK

1. *Escrow Fund.* The Treasurer will transfer \$8,539,100 of the bond proceeds (together with any premium) to the Escrow Fund. The Escrow Bank will invest this amount in direct obligations of the United States maturing on or before April 15, 1987. On April 15, 1987, the Escrow Bank will transfer \$8,539,087.50 from the Escrow Fund to the principal paying agent for the 1975 Sewer Bonds, Series A, for the purpose of paying the costs of redeeming the \$8,305,000 of 1975 Sewer Bonds maturing on and after April 15, 1988, including the \$234,087.50 of premiums payable upon early redemption of the 1975 Bonds.

The Treasurer will also transfer to the Escrow Bank, for deposit in the Escrow Fund, the amount of accrued interest, if any, received upon the delivery of the 1978 Refunding Bonds, plus any additional amount which shall be reported by an independent certified public accountant to be necessary, together with the earnings from the investment of money in the Escrow Fund, to pay the interest on the Refunding Bonds becoming due on or before April 15, 1987.

Any money remaining in the Escrow Fund after paying the costs of redeeming the 1975 Sewer Bonds, Series A, will be paid to the District.

FUNDS HELD BY THE DISTRICT

1. *Refunding Expense Fund.* The remainder of the bond proceeds will be held by the District in the Refunding Expense Fund and used to pay the costs of issuing the Refunding Bonds. Any balance remaining in the fund after the refunding has been completed will be transferred to the General Obligation Bond Fund.

2. *General Obligation Bond Fund.* Upon the retirement of the 1975 Bonds monies received from annual assessments (or charges) levied by the District on all assessable lands of the District will be deposited into this fund for the payment of the Bonds and the interest thereon.

Security

PRIOR TO REFUNDING

On and prior to April 15, 1987, the interest on the Refunding Bonds is payable from the interest

to be earned from the investment of the federal securities held in the Escrow Fund and from any other money which may be set aside for the purpose at the time of the delivery of the Bonds.

The Resolution Issuance of the Bonds and the Escrow Agreement require the Escrow Bank to retain the interest earned on the investments in federal securities held in the Escrow Fund.

FOLLOWING REFUNDING

After the 1975 Sewer Bonds, Series A have been redeemed, both the principal of and the interest on the Refunding Bonds will be payable from annual ad valorem assessments on all assessable lands within the District, which the District shall cause to be levied in addition to any other taxes or assessments. However, in lieu of levying assessments, the District may use any other revenues which are available for the purpose to meet debt service. Money to meet the annual debt service will be deposited and held in the General Obligation Bond Fund by the District Treasurer.

Reserve Fund

A Reserve Fund equal to one-half the average annual debt service on the 1975 Sewer Bonds, Series A (\$473,750), was created from the proceeds of those bonds and is held by the District Treasurer. At the time the 1975 Sewer Bonds are redeemed the money in the Reserve Fund created from the proceeds of the 1975 Sewer Bonds, Series A, will be transferred to a Reserve Fund created under terms of the resolution providing for the issuance of the 1978 Refunding Bonds.

Investment of Funds

Money in the Escrow Fund may be invested only in direct obligations of the United States of America (State and Local Government Series). Investments purchased with the Escrow Fund monies must mature on or prior to April 15, 1987.

Moneys in all other funds established in connection with the Refunding Bonds may be deposited in bank accounts which are secured by the same obligations eligible to secure deposits of public funds or may be invested in either Federal securities (as defined in the resolution providing for the issuance of the bonds) or certificates of deposits. Such investments must mature on or prior to the dates the funds are needed.

Moreover, the District covenants in the Resolution not to cause proceeds from the sale of the Bonds to be invested in such a manner as to cause the Bonds to be classified as arbitrage bonds.

Proposed Property Tax Limitation Constitutional Amendment

An Initiative Constitutional Amendment, commonly known as the "Jarvis Initiative", providing for, among other things, certain property tax limitations, will appear on the state-wide ballot in June, 1978. The office of the Attorney General of the State of California has, in accordance with applicable law, provided to the Secretary of State of the State of California the following summary of the Jarvis Initiative:

"PROPERTY TAX LIMITATION, INITIATIVE CONSTITUTIONAL AMENDMENT. Limits ad valorem taxes on real property to 1% of value except to pay indebtedness previously approved by voters. Establishes 1975-76 assessed valuation as base value of property for tax purposes. Limits annual increases in value. Provides for reassessment after sale, transfer, or construction. Requires 2/3 vote of Legislature to enact any change in state taxes designed to increase revenues. Prohibits imposition by state of new ad valorem, sales, or transaction taxes on real property. Authorizes specified local entities to impose special taxes except ad valorem, sales and transaction taxes on real property. Financial Impact: Would result in the loss of local property tax revenues of \$7 billion to \$8 billion annually and a reduction in state costs of about \$700 million in 1978-79 and \$800 million annually thereafter."

The District can neither predict whether or not the Initiative will be approved by the voters nor can it predict whether or not the validity of the Initiative will, if thereafter challenged, be upheld, in whole or in part, by the courts. Further, the District cannot make any predictions or give any assurances as to the exact ramifications of the Initiative, if approved, upon any ad valorem assessment relating to operations of the District.

The District continues to believe that regardless of the outcome of the election for the Initiative, any attempted erosion of the ability of the District to levy unlimited ad valorem assessments for the payment of the Bonds and interest thereon pursuant to the authorizing statute can be defended against as an impairment of the obligation of the District's contract with the holders of the Bonds under the Federal Constitution.

ESTIMATED ANNUAL BOND SERVICE

Table 1 presents a schedule of estimated annual bond service for the 1978 Refunding Bonds based on an estimated interest rate of 6½ % percent.

Table 1
LOS ALISOS WATER DISTRICT
1978 Refunding Bonds
Estimated Annual Bond Service

Year Ending April 15	Bonds Outstanding	Interest Estimated At 6½ %	Principal Maturing	Total Bond Service
1979	\$8,650,000	\$ 843,375 ^①	\$ —	\$ 843,375
1980	8,650,000	562,250	—	562,250
1981	8,650,000	562,250	—	562,250
1982	8,650,000	562,250	—	562,250
1983	8,650,000	562,250	—	562,250
1984	8,650,000	562,250	—	562,250
1985	8,650,000	562,250	—	562,250
1986	8,650,000	562,250	—	562,250
1987	8,650,000	562,250	—	562,250
Subtotal		\$ 5,341,375 ^②	\$ —	\$ 5,341,375
1988	\$8,650,000	\$ 562,250	\$ 340,000	\$ 902,250
1989	8,310,000	540,150	365,000	905,150
1990	7,945,000	516,425	385,000	901,425
1991	7,560,000	491,400	410,000 ^③	901,400
1992	7,150,000	464,750	440,000 ^③	904,750
1993	6,710,000	436,150	465,000 ^③	901,150
1994	6,245,000	405,925	500,000 ^③	905,925
1995	5,745,000	373,425	530,000 ^③	903,425
1996	5,215,000	338,975	565,000 ^③	903,975
1997	4,650,000	302,250	600,000 ^③	902,250
1998	4,050,000	263,250	640,000 ^③	903,250
1999	3,410,000	221,650	685,000 ^③	906,650
2000	2,725,000	177,125	725,000 ^③	902,125
2001	2,000,000	130,000	775,000 ^③	905,000
2002	1,225,000	79,625	825,000 ^③	904,625
2003	400,000	26,000	400,000 ^③	426,000
Subtotal		\$ 5,329,350	\$8,650,000	\$13,979,350
Total		\$10,670,725	\$8,650,000	\$19,320,725

① Eighteen months' interest.

② Payable from Investment Revenue Fund.

③ Callable on and after April 15, 1990.

FINANCIAL DATA

Assessed Valuation

The assessed valuation of the Los Alisos Water District is established by the Orange County Assessor, except for utility property which is assessed by the State Board of Equalization. The State Board of Equalization reported that Orange County assessed valuations for the 1977/78 fiscal year averaged 25.1 percent of full cash value. Utility property is reported to be assessed at 25% of full cash value.

District taxes are levied against the assessed valuation of land only before exemptions. Following is the assessed valuation of the District for the 1977/78 fiscal year.

LOS ALISOS WATER DISTRICT

1977/78 Assessed Valuation (Land Only)

Local Secured Roll	\$43,545,950
Utility Roll	112,120
Unsecured Roll	13,850
Total	<u>\$43,671,920</u>

The following summary shows the growth which has occurred in the District's assessed valuation (land only) over the past eight years.

LOS ALISOS WATER DISTRICT

Growth in Assessed Valuation (Land Only)

Fiscal Year	Assessed Valuation
1970/71	\$10,140,180
1971/72	10,554,760
1972/73	14,238,000
1973/74	15,081,990
1974/75	16,189,720
1975/76	23,261,240
1976/77	28,653,530
1977/78	<u>43,671,920</u>

The following tabulation as reported by the Orange County Auditor-Controller, shows the 1977/78 assessed valuation of all property (land, improvements and personal property) located within the District. These valuations reflect two types of exemptions (\$1,750 of the assessed valuation of an owner occupied dwelling and 50 percent of the assessed valuation of business inventories) which do not result in any loss of revenues to local taxing agencies since an amount equal to the taxes which would have been payable on such exempt valuations is reimbursed by the State.

LOS ALISOS WATER DISTRICT

1977/78 Assessed Valuation of all Property Within District

	Assessed Valuation For Revenue Purposes	Homeowners and Business Inventory Exemptions	Net Assessed Valuation
Secured ...	\$86,765,850	\$5,510,050	\$81,255,800
Utility	4,678,400	1,380	4,677,020
Unsecured ..	1,072,220	116,980	955,240
Total ..	\$92,516,470	\$5,628,410	\$86,880,060

Tax Levies and Delinquencies

Following is a record of secured taxes levied by the District as reported by the Orange County Auditor-Controller, during the past eight fiscal years, together with the amounts and percentages delinquent as of June 30 of each year.

LOS ALISOS WATER DISTRICT

Tax Levies and Delinquencies

Fiscal Year	Secured Tax Levy	Delinquency as of June 30	
		Amount	Percent
1969/70 ..	\$225,109	\$ 7,775	3.45%
1970/71 ..	327,049	24,136	7.38
1971/72 ..	339,209	9,510	2.80
1972/73 ..	458,299	14,536	3.17
1973/74 ..	482,875	13,023	2.70
1974/75 ..	514,321	27,767	5.40
1975/76 ..	746,287	14,903	2.00
1976/77 ..	920,788	17,295	1.88

Tax Rates

The District's 1977/78 ad valorem assessment (tax rate) is \$2.980 per \$100 assessed valuation of land only. For the fiscal years 1970/71 through 1976/77 the District's tax rate was \$3.23 per \$100.

Revenues received from District taxes are used almost exclusively for debt service with a small portion used for capital purposes. District operating expenses are met from water and sewer service charges.

The accompanying tabulation shows the 1977/78 tax rates for Tax Rate Area 88-047. This is the largest tax rate area in the District, having a 1977/78 assessed valuation of \$27,320,230 for land only and \$65,174,150 for all rolls, before homeowners' and business inventory exemptions. These assessed valuations represent, respectively, 62.6 and 70.4 percent of the total assessed valuations within the District.

LOS ALISOS WATER DISTRICT

Tax Rate Area 88-047

1977/78 Tax Rates Per \$100

Orange County	\$1.3300
County Library1546
Saddleback Valley Unified School District	5.7699①
Saddleback Community College9443
Other Education Taxes1692
Metropolitan Water District of Southern California1300
County Fire Protection3898
County Flood Control District1888
Other Special Districts6195
Total—All Rolls	\$9.6961
Los Alisos Water District	2.9800②
County Sanitation District 7A-B0024③
Street Light Maintenance District 130892③

① Includes rates for bonds of predecessor districts.

② Land only.

③ Land and improvements.

Revenues and Expenditures

Table 2 shows District revenues and expenditures (exclusive of depreciation) over the past seven fiscal years, including Fund Balances as of June 30, 1977, as reported in annual financial statements prepared by the District's independent certified public accountants. The District's balance sheet for the fiscal year ended June 30, 1977 is presented in Table 3.

Direct and Estimated Overlapping Bonded Debt

Table 4 on page 12 presents a statement of direct and estimated overlapping general obligation bonded debt of the District. Following the sale of the Refunding Bonds currently being offered for sale the direct debt of the District will consist of \$27,055,000 of general obligation bonds, as shown below. The \$8,650,000 of 1978 Refunding Bonds are not considered to be a part of the District's outstanding debt until the 1975 Sewer Bonds, Series A are redeemed on April 15, 1987. Therefore the 1978 Refunding Bonds are not included in the District's current direct debt.

LOS ALISOS WATER DISTRICT

Direct Debt As of March 22, 1978

Year Issued	Purpose	Original Amount	Final Maturity	Outstanding March 22, 1978
1961 ..	Water	\$1,410,000	7/ 1/95	\$ 1,090,000
1964 ..	Sewer	1,150,000	6/ 1/04	1,025,000
1968 ..	Water	2,300,000	10/ 1/01	2,205,000
1968 ..	Sewer	1,600,000	10/ 1/01	1,530,000
1971 ..	Water	2,530,000	10/ 1/01	2,420,000
1975 ..	Sewer	9,985,000	4/15/04	9,985,000
1978 ..	Water	8,800,000	7/ 1/04	8,800,000
				\$27,055,000

The following tabulations present the future annual debt service for the presently outstanding water and sewer bonds of the District. The major effect of the issuance of the 1978 Refunding Bonds will be to eliminate the sewer bond debt service for the 2004 and 2005 maturities.

LOS ALISOS WATER DISTRICT

Future Sewer Bond Debt Service

Year Ending July 1	Amount	Year Ending July 1	Amount
1978 ..	\$1,100,950	1992 ..	\$1,084,900
1979 ..	1,103,650	1993 ..	1,078,100
1980 ..	1,105,400	1994 ..	1,074,300
1981 ..	1,111,025	1995 ..	1,068,200
1982 ..	1,115,300	1996 ..	1,064,888
1983 ..	1,113,200	1997 ..	1,053,875
1984 ..	1,109,900	1998 ..	1,040,563
1985 ..	1,110,788	1999 ..	1,030,075
1986 ..	1,105,163	2000 ..	1,026,975
1987 ..	1,103,338	2001 ..	920,388
1988 ..	1,105,000	2002 ..	916,250
1989 ..	1,099,938	2003 ..	913,513
1990 ..	1,098,215	2004 ..	906,963
1991 ..	1,089,888	2005 ..	831,600

LOS ALISOS WATER DISTRICT

Future Water Bond Debt Service

Year Ending July 1	Amount	Year Ending July 1	Amount
1978 ..	\$ 719,500	1992 ..	\$1,146,955
1979 ..	985,813	1993 ..	1,148,297
1980 ..	1,132,987	1994 ..	1,152,305
1981 ..	1,134,537	1995 ..	1,148,743
1982 ..	1,134,888	1996 ..	1,152,952
1983 ..	1,133,875	1997 ..	1,159,000
1984 ..	1,136,562	1998 ..	1,161,617
1985 ..	1,137,650	1999 ..	1,166,778
1986 ..	1,137,100	2000 ..	1,168,655
1987 ..	1,130,413	2001 ..	932,250
1988 ..	1,135,232	2002 ..	700,500
1989 ..	1,134,545	2003 ..	700,400
1990 ..	1,137,438	2004 ..	763,200
1991 ..	1,143,343		

Table 2

LOS ALISOS WATER DISTRICT

Revenues and Expenditures

Fiscal Year	1970/71	1971/72	1972/73	1973/74	1974/75	1975/76	1976/77
REVENUES							
Water Sales	\$190,483	\$ 234,891	\$ 229,968	\$ 319,160	\$ 360,224	\$ 451,636	\$ 597,284
Sanitation Charges	33,669	47,134	68,790	114,120	146,720	186,655	236,413
Other Operating Income ...	19,498	11,552	6,804	9,388	10,387	14,961	14,183
Property Taxes	305,453	367,282	457,134	505,794	490,852	761,383	932,046
Interest Income	210,015	181,600	285,532	434,376	407,361	807,716	661,994
Other Non-Operating Income and Adjustments	9,636	4,773	19,341	8,210	44,097	107,402	180,179
Connection Fees and Permits	—	150,666	149,374	94,632	438,095	833,499	622,537
Contributions	132,900	550,700	161,800	274,000	355,167	752,529	1,826,500
Federal and State Grants ..	—	101,500	—	145,034	—	75,419	—
Total Revenues	\$901,654	\$1,650,098	\$1,378,743	\$1,904,714	\$2,252,903	\$3,991,200	\$5,071,136
EXPENDITURES^①							
Operating Expenses	\$338,448	\$ 295,994	\$ 347,900	\$ 456,524	\$ 513,285	\$ 674,458	\$ 896,532
Interest Expense	120,863	355,638	353,387	511,787	488,470	501,375	660,104
Amortization of Bond Expense	5,584	8,393	8,629	8,576	8,484	8,545	8,483
Total Expenses	\$464,895	\$ 660,025	\$ 709,916	\$ 976,887	\$1,010,239	\$1,184,378	\$1,565,119
NET INCOME	\$436,759	\$ 990,073	\$ 668,827	\$ 927,827	\$1,242,664	\$2 806,822	\$3,506,017
^① Excluding							
Depreciation of	\$ 92,762	\$ 150,158	\$ 196,421	\$ 239,144	\$ 251,304	\$ 269,808	\$ 332,268

LOS ALISOS WATER DISTRICT

Statement of Changes in Reserves and Fund Balances

Year Ended June 30, 1977

	Bond Reserve Funds	1968 Water Bonds Series 1	1968 Water Bonds Series 2	1968 Sewer Bonds Series 1	1975 Sewer Bonds Series A	Investment in Utility Plant Contributed	Unappro- priated Fund Balance	Total
BALANCE,								
JULY 1, 1976	\$1,097,432	\$6,375	\$459,662	\$414,291	\$8,716,840	\$3,304,047	\$(6,498,315)	\$ 7,500,332
CHANGES:								
Net income							3,173,749	3,173,749
Plant contributed by developers						1,826,500	(1,826,500)	
Plant additions from construction funds expenditures			(80,312)	32,496	(1,208,994)		1,256,810	
Transfers		283	(103,240)	(32,754)	445,627		(309,916)	
BALANCE,								
JUNE 30, 1977	<u>\$1,097,432</u>	<u>\$6,658</u>	<u>\$276,110</u>	<u>\$414,033</u>	<u>\$7,953,473</u>	<u>\$5,130,547</u>	<u>\$(4,204,172)</u>	<u>\$10,674,081</u>

Table 3

LOS ALISOS WATER DISTRICT

Balance Sheet

June 30, 1977

ASSETS

UTILITY PLANT, AT COST	\$18,657,412	
Less accumulated depreciation	<u>1,854,973</u>	
NET UTILITY PLANT		\$16,802,439
RESTRICTED ASSETS:		
Cash in bank	80,797	
Temporary investments, at cost	10,196,376	
Accrued interest receivable	<u>49,465</u>	
TOTAL RESTRICTED ASSETS		10,326,638
CURRENT ASSETS:		
Cash in bank and on hand	22,770	
Temporary investments, at cost	2,249,693	
Water and sanitation charges receivable	94,052	
Agriculture water credit receivable	3,779	
Taxes receivable, less allowance for delinquent taxes of \$17,295	8,175	
Accrued interest receivable	27,396	
Prepaid expenses	13,963	
Water in storage	<u>2,880</u>	
TOTAL CURRENT ASSETS		2,422,708
OTHER ASSETS:		
Bond discount and issuance costs	209,723	
Less accumulated amortization	<u>91,419</u>	
TOTAL OTHER ASSETS		118,304
		<u>\$29,670,089</u>

LIABILITIES, RESERVES AND FUND BALANCES

LONG-TERM DEBT		\$18,115,000
CURRENT LIABILITIES:		
Liabilities to be paid from restricted assets:		
Interest on bonds	\$ 308,932	
Matured bonds payable	<u>270,000</u>	\$ 578,932
Other current liabilities:		
Accounts payable, trade	130,755	
Deposits, Whiting Property	5,388	
Deposits, El Toro Co.	141,430	
Miscellaneous deposits and other	<u>24,503</u>	302,076
TOTAL CURRENT LIABILITIES		881,008
RESERVES AND FUND BALANCES:		
Bond reserve funds:		
1961 Waterworks bonds, first issue	95,182	
1964 Sewer bonds, first issue	68,000	
1968 Water bonds, Series 1	183,000	
1968 Water bonds, Series 2	157,000	
1968 Sewer bonds, Series 1	120,500	
1975 Sewer bonds, Series A	<u>473,750</u>	1,097,432
Bond construction funds:		
1968 Water bonds, Series 1	6,658	
1968 Water bonds, Series 2	276,110	
1968 Sewer bonds, Series 1	414,033	
1975 Sewer bonds, Series A	<u>7,953,473</u>	8,650,274
Investment in utility plant, contributed	5,130,547	
Unappropriated fund balance	<u>(4,204,172)</u>	
TOTAL RESERVES AND FUND BALANCES		10,674,081
TOTAL LIABILITIES, RESERVES AND FUND BALANCES		<u>\$29,670,089</u>

Table 4

LOS ALISOS WATER DISTRICT

Statement of Direct and Estimated Overlapping Bonded Debt

1977 Estimated Population	21,203	
1977/78 Assessed Valuation (Land Only)	\$ 43,671,920	
1977/78 Assessed Valuation (All Property)	92,516,470	
Estimated Market Value (All Property)	368,666,000 ^①	

	Percent Applicable	Debt Applicable March 22, 1978
Orange County	0.928%	\$ 35,351 ^②
Orange County Flood Control District	0.928	182,909
Metropolitan Water District	0.185	975,805
Orange County Sanitation District No. 7	7.328	10,992
Saddleback Community College District	4.361	257,953
Saddleback Valley Unified School District	18.659	4,822,419
Irvine Unified School District	0.010	1,963
Tustin Unified High School District	6.237- 7.235	501,974
San Joaquin School District	9.299-11.066	1,179,171
Los Alisos Water District	100.	27,055,000 ^③
Total Direct and Estimated Overlapping Bonded Debt		\$35,023,537 ^④

	Ratio to		
	1977/78 Assessed Valuation (All Property)	Estimated Market Value (All Property)	Per Capita
Direct Bonded Debt	29.24%	7.34%	\$1,276
Direct and Estimated Overlapping Bonded Debt	37.86	9.50	1,652
Assessed Valuation (Land Only)	—	—	2,059
Assessed Valuation (All Property)	—	—	4,363

① The State Board of Equalization reports that the 1977/78 Orange County assessed valuations averaged 25.1 percent of full cash value. Utility property is reportedly assessed at 25% of full cash value.

② Excludes the District's share of Orange County lease-purchase obligations (\$13,602) and Orange County Building Authorities Bonds (\$216,308).

③ Does not include \$8,650,000 of 1978 Refunding Bonds.

④ Excludes sales, if any, between February 22, 1978 and March 22, 1978.

Share of Authorized and Unsold Bonds:

Metropolitan Water District	\$ 675,250
Los Alisos Water District	7,994,000
Saddleback Valley Unified School District	2,643,980
Irvine Unified School District	3,470
Share of State School Building Aid Repayable as of 6/30/77	4,831,117

THE DISTRICT

The Los Alisos Water District is located in an area known as the Saddleback Valley, approximately 40 miles southeast of the City of Los Angeles, 10 miles southeast of the City of Santa Ana, and approximately 10 miles inland from the Pacific coastline. The District lies southeast of the Marine Corps Air Station El Toro and northeast of Interstate Highway 5, the principal north-south route through the State. The main line of the Atchison, Topeka and Santa Fe Railway between Los Angeles and San Diego traverses the District.

Organization and Operation

The Los Alisos Water District was organized in October 1960 under the provisions of the California Water District Law, Division 13 of the Water Code of the State of California commencing with Section 34000. The District provides water and sewerage service to residents of a 5,380-acre area. It is governed by a five-member board of directors, each of whom must be holders of title to land within the District. Board members are elected at large for four-year alternating terms by qualified voters in the District. The secretary is appointed by the directors.

A brief biography of each District Director and the General Manager is presented below.

Mr. A. J. West, President of the District, is an independent oil producer and also a citrus grower in Orange, Riverside and Ventura Counties.

Mr. Alwin V. Dierker, a Director of the District, is a citrus grower in the District and is a Director of the Olive Heights Citrus Association in Orange County.

Mr. H. C. Johnson, a Director of the District, manages business interests and avocado, lemon, orange and grapefruit orchards.

Mr. G. D. Stringer, a Director of the District, is a Registered Civil Engineer and Senior Vice President of Signal Landmark, Inc.

Mr. W. F. Tritt, a resident and Director of the District, is an investment broker with Paine, Webber, Jackson and Curtis, Inc.

Mr. E. T. McFadden is the General Manager of the District, and was one of the original District Di-

rectors. He has served as the manager of the District since October, 1967.

Employee Retirement Plan

Of the District's twenty-three employees, fifteen are participants in the District Pension Plan, comprised of Group Annuity Contract No. DA 1969 of the Massachusetts Mutual Life Insurance Company, which contract is on file at the offices of the District. Employees are eligible for the plan prior to their sixtieth birthdays, and after six months' service with the District. The District pays all premiums which for 1977/78 amounted to \$12,400 for normal contributions and \$7,101 for past contributions.

Climate and Topography

The climate of the District is typical of the coastal plain areas of Southern California, the temperatures being mild and relatively uniform. Soil and climatic conditions in parts of the District have proven to be exceptionally well adapted to citrus culture and other tree crops as well as truck gardening.

Elevations in the southwesterly half of the District generally range between 300 and 500 feet, with most of the land being fairly level or gently sloping. Elevations in the balance of the District range up to about 875 feet.

Population

The following tabulation shows the growth of the Los Alisos Water District from 1967 to 1977. Population has been estimated by the District at 3.5 per connection.

	Popu- lation	Connec- tions		Popu- lation	Connec- tions
1967 ..	875	250	1973 ..	8,270	2,363
1968 ..	1,253	358	1974 ..	10,552	3,015
1969 ..	1,750	500	1975 ..	12,729	3,637
1970 ..	2,625	750	1976 ..	16,562	4,732
1971 ..	3,675	1,050	1977 ..	21,203	6,058
1972 ..	4,431	1,266			

An indication of population growth in the District and surrounding area is provided by reference to population increases in the El Toro Statistical Area, a geographic unit utilized by the Orange County Planning Department in studying demographic trends. This area encompasses the community of El Toro, the northeast portion of Irvine, and adjacent residential areas. For the 1976-86 period, the county forecasts a growth rate of 206.2 percent, highest of the ten statistical areas in Orange County. Current and forecast population estimates in this area are shown on page 15.



Aerial photograph of the Los Alisos Water District looking to the east. The approximate boundaries of the District are outlined in white. Interstate 5, the principal north-south route in California, is seen in the center of the photograph. In the foreground is a portion of the El Toro Water District and a part of the Moulton-Niguel Water District appears to the right.

EL TORO STATISTICAL AREA

Population Projections

Period	Estimated Population
January 1976	30,661 ^①
July 1977	40,406
July 1979	54,159
July 1981	64,148
July 1986	93,898

^① Based on 1976 Special Census.

Source: Orange County Administrative Office.

Aliso Water Management Agency

The Los Alisos Water District is a member of the Aliso Water Management Agency (AWMA). The District is participating in the AWMA construction of an ocean outfall and an effluent transmission line from the ocean outfall to the District's reclamation plant.

As a condition to the receipt of State and Federal grant funds for the Aliso Water Management Agency's treated wastewater disposal facilities, AWMA will impose a limitation on Los Alisos Water District for receipt of effluent from Los Alisos Water District into the Aliso Water Management Agency's system for five years, unless:

(1) It is demonstrated to the State Air Resources Board that adverse impacts of the limitation are mitigated.

(2) An Air Quality Maintenance Plan is developed and approved by the State.

(3) Analyses prove that the impact on air quality under the limitation are greater than the impact associated with unrestricted flow. In this event the State Water Resources Board will reevaluate mitigation requirements.

Wastewater Treatment and Treated Wastewater Use

From 1965 to 1977, the Los Alisos Water District has treated and used all wastewater on agricultural land and greenbelts.

The District's wastewater treatment plant, Identification No. 8 300109011 is a Class III plant using a flow of 2.0 MGD activated sludge and 3.5 MGD stabilization pond system for treatment. With the use of its additional aeration equipment, the District can treat 5.5 MGD when required.

The present water reclamation facilities are adequate to dispose of sewerage received from the proposed residential development of the District. It should be pointed out that there will be additional greenbelt areas developed that will use reclaimed wastewater in the future.

When used for saving treated wastewater for irrigation, the pump station and storage ponds are used to serve agricultural irrigation demands at a much greater rate than the raw sewerage is received for treatment over periods of time.

The California Water Quality Control Board, Santa Ana Region, has issued permits for users of Los Alisos Water District's treated wastewater as follows:

WASTEWATER RECLAMATION REQUIREMENTS

Order Nos.	Date	Use
74-75	June 7, 1974	Los Alisos Water District wastewater requirements
75-90	May 9, 1975	Cal-Turf—1,500 acre feet per year
75-134	May 9, 1975	The Irvine Company—2,000 acre feet per year
77-8	January 14, 1977	Los Alisos Water District—water treatment plant and surrounding lands of landscaping and green belt areas—3,900 acre feet per year or 3.5 MGD
77-151	July 8, 1977	Dierker Ranch—0.25 MGD
77-152	July 8, 1977	V. P. Baker, et al—4.0 MGD
77-153	July 8, 1977	Los Alisos Ranch—1.0 MGD
77-154	July 8, 1977	Osterman Ranch—0.25 MGD
77-243	December 16, 1977	Southern California Edison Company—for landscaping irrigation—1,000 gallons per day
77-251	December 16, 1977	Citrus Lane Homeowners Association—5,000 gallons per day



The Lake Forest Sun and Sail Club



A typical residence in "The Woods" subdivision



A portion of the Cañada Business Center in the District

Residential Development

New concepts in community development and home construction are being undertaken in the various subdivisions within Los Alisos Water District. The summary below shows the growth in occupied residential dwellings within the District since 1969.

LOS ALISOS WATER DISTRICT

Occupied Dwelling Units

Year End	Occupied Units
1969	477
1970	750
1971	1,266
1972	1,693
1973	2,432
1974	3,095
1975	3,637
1976	4,732
1977	6,058

Source: Los Alisos Water District.

Shown below is a breakdown of housing units within the District as of November 1977. Single family detached dwellings comprise nearly 74 percent of total units, with townhouses accounting for over 10 percent and apartments over 9 percent of all housing units.

LOS ALISOS WATER DISTRICT

Housing Units, By Type of Construction November 1977

Type	Acreage	No. of Dwelling Units
Single Family, Detached	1,458.1	5,168
Single Family, Detached	N.A.	1,040
Townhouses	117.9	843
Townhouses	N.A.	49
Apartments	41.2	784
Mobile Homes	80.0	494
Church Retirement Home	—	29
Total		8,407

Source: Los Alisos Water District.

Occidental Land Inc., a widely recognized developer-builder, has received many national awards for excellence of design and construction and has won national recognition in leading magazines. The company is developing the largest and most comprehensive community in the District, known as Lake Forest. The Lake Forest Planned Community is unique in this portion of Orange County in that it offers three different concepts in residential atmosphere, while still being centered around one principal business and service area. Forecast ultimate residential population is 29,200. The distinct communities within Lake Forest are "The Village," "The Woods," and "The Lakes."

"The Village" is a community of a wide variety of homes centrally located with easy access to all Lake Forest facilities as well as having its own lake, private beach and tennis club. In "The Woods" community, homes are being carefully placed in order to preserve the natural forest. Roads are designed to follow the contours of the land and hiking trails and a bridle path are woven into the countryside. The Los Alisos Water District offers one of the most attractive areas for such a development because of the naturally forested area found here. In this section of Orange County, the land is generally rolling hills of grass, and, therefore, these naturally shaded areas of the District are highly favored for home sites. The community of "The Lakes" has been designed for water activities and to recognize the popularity of waterfront living. Three large lakes have been constructed, around which are built luxury homes with private docking facilities. Home designs have been developed to take full advantage of the water-oriented concept.

Many different home designs with variations on each design are being offered in the communities, thus assuring a wide range of appearance within the neighborhoods.

Lake Forest Village, a mall-type shopping center, has been constructed to serve the community.

The First American Title Insurance Company of Santa Ana monitors developer activity throughout Orange County on a periodic basis. Their August 1977 study reported that developers currently active in the Los Alisos Water District propose to build 2,159 single family detached homes in the District, had completed at least 1,117, and had sold 1,101. The results of the survey are presented on page 18. According to this source, no condominium or planned unit developments were announced or under construction in the District at the time of the survey.

LOS ALISOS WATER DISTRICT

Developer Activity as of August 1977

Development	Developer ^①	Proposed Total Units	No. Built or Under Construc- tion	Total No. Sold	Basic Price Range
Fashion Lane	Fashion Lane Homes	8	8	5	\$112,500-\$130,500
Lake Forest Woods	Lan-Ron Enterprises	100	100	98	103,900- 124,900
Park Place	Ponderosa Homes	355	200	182	89,990- 112,990
Parkwood Estates	S & S Construction Co.	328	198	186	96,950- 143,950
Serrano Park	S & S Construction Co.	553	186	181	92,450- 95,950
Shadow Glen	Schmid Development	45	45	36	115,000- 120,000
Shadow Run	Warmington Development	240	50	45	77,000- 94,000
Sunwood	William Lyon Co.	237	237	223	73,990- 86,990
Wood Leaf	Pacesetter Homes	93	93	78	81,995- 97,995
The Woods	Baldwin Co.	200	N.A.	67	82,000- 112,000
Totals		2,159		1,101	

① Developers building at least 3 homes.

Source: First American Title Insurance Co.

Land Ownership

The following tabulation lists the principal land-owners within the District and the 1977/78 assessed valuations of land of these holdings.

Nominal Owner ^①	1977/78 Assessed Valuation of Land
S & S Construction Co.	\$4,322,210
Occidental Land, Inc.	3,110,150
Pacesetter Homes, Inc.	741,120
Imperial Savings and Loan Association .	690,820
William Lyon Co.	679,010
Kaiser Aetna	661,590
Title Insurance Corporation	655,600
Paul Goldstone	603,930
Vista Park Villas Co.	477,750
Warmington Development Inc.	458,140
Lake Forest Woods, Ltd.	305,360
Schmid Development, Inc.	255,150
Lake Forest Shopping Center	254,550
Home Savings and Loan Association ..	249,720
Forest Development Co.	241,800
Woodbine Corporation	224,160
Canada, J V	239,500
Lake Terrace Homes, Ltd.	184,610
Lloyds Bank of California	179,790
R. C. Jewett Co.	136,000

① As of March 1, 1977.

Source: Los Alisos Water District.

Employment

In 1974 the California Employment Development Department and Orange County jointly surveyed employment patterns throughout the county. One of these areas was the El Toro Statistical Area, already described. According to this survey, the area supported 586 business establishments employing 25,074 persons as of July, 1974. Nearly 14,000 workers were in manufacturing, and the great majority (85%) were in durable goods plants. Principal industries in this group were non-electrical machinery, ordnance, instruments, fabricated metals, and transportation equipment (except aircraft).

In addition to manufacturing, other major categories of employment in this labor market were trade, government, and services. The distribution of employment by industry is shown in the accompanying tabulation. As noted, wholesale trade establishments employed more persons than retail trade establishments at the time of the survey.

Recent employment data are available only for Orange County. As of September 1977, the total civilian labor force in the county was 864,300, an increase of 36,900 over September 1976. Total civilian employment for county residents was 829,100, an increase of 6.1 percent over the previous September. During the year the seasonally adjusted unemployment rate declined 1.5 percentage points (from 5.7 to 4.2), while the unadjusted unemploy-

ment rate dropped 1.4 percentage points (from 5.5 to 4.1). The current unemployment rate is the lowest on record since the revised series began in 1972.

Wage and salary jobs in the county expanded 39,400 between Septembers to a level of 654,000 at September 1977. Principal employment gains were in retail trade (8,900 additional jobs), construction (8,200), services (5,700), manufacturing (5,700), and state and local government (4,900). Durable goods industries accounted for 70 percent of the newly-hired factory workers.

Annual average employment and unemployment in Orange County for the most recent five-year period are shown in the tabulation below. During this time span total civilian employment increased faster than the labor force (28.5% compared with 27.1%). Wage and salary employment was up more than 27 percent during the five years, to a level exceeding 611,000 in 1976.

In 1976, more than one-fourth of all wage and salary jobs throughout the county were in manufacturing, with 56,100 workers in the aerospace

EL TORO STATISTICAL AREA

Employment By Industry 1974

Industry	No. of Employers	No. of Employees
Agriculture	19	1,523
Construction	53	1,151
Manufacturing	170	13,984
Transportation, Commu- nications, Utilities	15	469
Wholesale Trade	67	1,911
Retail Trade	60	1,100
Finance, Insurance, Real Estate	44	797
Services	132	1,807
Federal Government	6	1,801
State and Local Government ..	14	493
Other	4	38
Total	584	25,074

Source: State Department of Employment Development and County of Orange.

ORANGE COUNTY EMPLOYMENT AND UNEMPLOYMENT

Annual Averages 1972-76

(In Thousands)

	1972	1973	1974	1975	1976
Labor Force①	649.0	710.0	733.0	785.0	825.0
Employment	604.0	673.0	694.0	725.0	776.0
Unemployment	45.0	37.0	39.0	60.0	49.0
Unemployment Rate (%)②	6.9	5.2	5.3	7.6	5.9
Wage and Salary Employment③:					
Agriculture	8.4	9.7	9.2	8.8	10.6
Manufacturing	132.5	150.1	158.6	151.3	159.8
Construction	27.9	32.2	29.6	23.8	29.9
Transportation, Utilities	16.0	17.0	17.3	17.7	18.6
Wholesale Trade	17.4	20.7	23.4	24.0	26.1
Retail Trade	94.1	100.7	106.9	111.0	120.5
Finance Group	25.0	27.6	29.4	29.9	32.8
Services	82.5	96.1	104.1	108.7	114.7
Federal Government	8.1	8.3	9.4	9.4	9.4
State and Local Government	66.2	70.7	76.6	83.0	87.0
Other	1.9	2.0	2.1	2.1	1.9
Total	480.0	535.1	566.6	569.7	611.3

① Civilians. Labor force data are based on place of residence.

② Seasonally adjusted.

③ Reported by place of work.

Source: State Department of Employment Development.

group of industries (office machines, radio/TV equipment, electronics, aircraft, missiles, space vehicles, instruments). Other leading wage and salary employment categories were retail trade (19.7%), services (18.8%), and state and local government (14.2%).

Between 1972 and 1976 the fastest growing employment category in the county, both in terms of new jobs and percentage growth, was services, with a gain of over 32,000 jobs and a growth rate of 39 percent over the five years. Other categories reporting over 20,000 new jobs during the period were manufacturing, retail trade, and state and local government. Although comparatively low in terms of job additions (7,800), the finance group of industries (finance, insurance, real estate) reported a rate of gain exceeding 31 percent for the five-year period.

Commerce

Commercial facilities within the District are concentrated in two shopping centers. One is the Lake Forest Village Center located in Lake Forest. It contains a number of specialty stores. The other is the Rinker Shopping Center which is anchored by an Alpha Beta supermarket.

Located in the adjacent El Toro Water District and conveniently accessible to residents of the Los Alisos Water District is the Laguna Hills Center, which includes the Laguna Hills Mall, a regional shopping center. The mall contains four major department stores—Buffum's, The Broadway, J. C. Penney Co., and Sears—plus over 80 retail and service establishments such as restaurants, financial institutions, office supply houses and convenience stores.

A major regional shopping center is planned for the area immediately west of the Interstate 5-Interstate 405 intersection, about one mile west of the District. The Irvine Company and the E. W. Hahn Co. are jointly planning a two-story covered mall complex which will have four major department stores as anchor tenants. The first phase, to cover approximately one million square feet of shopping space, is scheduled to open in the fall of 1980. The complex will ultimately have about two million square feet of shopping space.

Financial Institutions

The Bank of America NT&SA, Security Pacific National Bank, and Valencia Bank maintain branch offices in the District. District residents are also served by branches of the Southwest Bank, United

California Bank, the California First Bank, the First National Bank of Orange County, and Wells Fargo Bank in El Toro and Laguna Hills.

Additional financial services are provided by local offices of seven savings and loan associations at El Toro and Laguna Hills.

Utilities

Electric power is furnished by Southern California Edison Company. Natural gas is distributed by Southern California Gas Company. Telephone service is provided by Pacific Telephone. As noted previously, water and sewerage services are provided by the District.

Industry

There are no major manufacturing industries within the District at present, although several small industrial firms have located in Canada Business Center. Southern California Edison Company operates a major maintenance center on property within the District.

The Irvine Industrial Complex, covering more than 6,000 acres northwest of the District, is one of the largest planned industrial developments in the nation. More than 600 companies have located manufacturing and other facilities employing approximately 40,000 people within the complex.

Fluor Corporation recently constructed a headquarters facility which employs 5,000 people. Other large firms represented in this Complex include Parker-Hannifin Corporation, Beckman Instruments, and Xerox Corporation.

The Irvine Company, which has developed extensive industrial properties at Orange County Airport, Garden Grove, and Tustin, all within convenient commuting distance of the District, has announced plans for the Irvine Industrial Complex-East, to be located immediately north of the District. It will cover approximately 1,500 acres, encompassing five "industrial villages" with supporting commercial and professional services. There will be no residential development. The first phase of construction (first village) will start in January 1978 and will include 296 acres, of which 20 acres will be devoted to commercial use. Buildings are scheduled to be ready for occupancy in February 1979. It is expected that the five villages, when completed, will provide employment for 45,000 persons.

The leading industrial employers in Orange County (500 or more employees) are listed on page 21.

ORANGE COUNTY
Major Industrial Employers
500 or More Employees

Company	Location	Products/Service	Employees
Rockwell International	Anaheim	Electronic systems	9,000
Hughes Aircraft Co.	Fullerton	Radar data systems	5,200
Fluor Corporation	Irvine	Engineers	5,000
McDonnell-Douglas Astronautics Co.	Huntington Beach	Space systems	5,000
Beckman Instruments, Inc.	Fullerton	Electrical instruments components	3,400
Northrop Corp.	Anaheim	Aerospace electronics	2,865
Aeronutronic Ford Corp.	Newport Beach	Aerospace	2,000
ITT Cannon Electric	Santa Ana	Electrical connectors	1,800
Collins Radio Corp.	Newport Beach	Communication systems	1,675
Hunt-Wesson Foods	Fullerton	Food products	1,625
Hughes, Micro Electronics Div.	Newport Beach	Micro Electronics	1,600
McGaw Laboratories	Irvine	Intravenous sets	1,600
Smith Tool	Irvine	Rockbeds for oil drilling	1,600
California Computer Products, Inc.	Anaheim	Disk drives & floppy disks	1,333
Interstate Electronics Corp.	Anaheim	Missile instrumentation	1,300
Executive Industries	Anaheim	Motor homes	1,200
Aerojet General Corp.	Fullerton	Nuclear reactors	1,110
Parker Hannifin Co.	Irvine	Hydraulic valves, missile components	1,100
Bertea Corp.	Irvine	Hydraulic valves	1,080
Emhart Corp.	Anaheim	Hardware	1,050
Kirkhill Rubber Co.	Brea	Rubber products	1,000
Rockwell International	Seal Beach	Aerospace	1,000
AMF Voit Inc.	Santa Ana	Sporting goods	950
Royal Industries	Santa Ana	Nuclear reactors, metal containers, aircraft components	906
Microdata Corp.	Irvine	Mini-computers	850
Golden West Mobile Homes, Inc.	Santa Ana	Mobile homes	800
Altec, Div. of Altec Corp.	Anaheim	Electronic equipment	800
General Automation, Inc.	Anaheim	Mini-computers, automation systems	800
Standard Pressed Steel Co.	Santa Ana	Precision fasteners	800
Burroughs Corp.	Mission Viejo	Computer systems	745
MSI Data Corp.	Costa Mesa	Field entry equipment	740
Esterline Electronics Corp.	Costa Mesa	Electronics	700
Freedom Newspapers, Inc.	Santa Ana	Publishers	700
Kimberly-Clark Corp.	Fullerton	Paper products	700
Varian Data Machines	Irvine	Mini-computers	700
California Computer Products Inc.	Anaheim	Data processing equipment	688
CBS Musical Instruments	Fullerton	Musical instruments	675
Towsend Co., Cherry River Div.	Santa Ana	Fasteners	662
Edwards Laboratories	Santa Ana	Medical supplies	650
Arrowhead Products Co.	Los Alamitos	Aerospace components	625
Allergan Pharmaceuticals Corp.	Irvine	Ophthalmic drugs	600
Swedlow Inc.	Garden Grove	Cast acrylic sheets	575
Electronics Engineering Co. of Calif.	Santa Ana	Electronic products	565
Computer Automation Inc.	Irvine	Computers	550
Times Mirror Co.	Costa Mesa	Publisher	550
Union Oil Co. of Calif. Research Dept.	Brea	Petroleum products	545
Bentley Laboratories Inc.	Irvine	Disposable medical products	519
Airco Cryogenics Div. of Airco Inc.	Irvine	Freezers, compressors, pumps	500
Astech	Santa Ana	Sheet metal fabric	500
General Motors, Delco Remy Div.	Anaheim	Battery products	500
Steelcase Inc.	Tustin	Metal office furniture	500
Travenol, Hyland Div.	Costa Mesa	Diagnostic products	500
Western Digital Corp.	Newport Beach	Micro electric components	500

Source: Orange County Chamber of Commerce.

Transportation

The District is bordered by Interstate 5, the main north-south route through California, which extends from the Mexican border south of San Diego to the Canadian border north of Seattle.

The southern portion of the District is traversed by the Los Angeles-San Diego line of the Atchison, Topeka and Santa Fe Railway, which is part of the Amtrak system. Rail passenger service is available in Santa Ana and San Clemente.

Bus service to adjacent communities is provided by the Orange County Rapid Transit District. Greyhound provides overland service to Los Angeles and San Diego from the nearby community of Laguna Hills.

The Orange County Airport, located 11 miles northwest of the District, is served by Air California, Golden West Airlines and Hughes Airwest. Extensive general aviation facilities are also available.

Education

Public educational services in the District are provided by the Saddleback Valley Unified School District, which enrolls over 16,000 students at 15 elementary schools, 3 intermediate schools, 3 high schools, a special school, and an adult education center. Enrollment by years since formation of the District is shown below.

SADDLEBACK VALLEY UNIFIED

SCHOOL DISTRICT

Enrollment by Grades

Year	K-6	7-8	9-12	Total
1973	7,272	2,030	3,405	12,707
1974	7,717	2,230	3,820	13,767
1975	7,957	2,399	4,301	14,657
1976	8,730	2,763	4,786	16,279
1977 ^① . . .	8,845	2,773	5,186	16,804

① As of mid-September.

Source: County Superintendent of Schools and Saddleback Valley Unified School District.

Located within the District are the Santiago, La Madera, and Rancho Canada Elementary Schools, the Serrano Intermediate School, and El Toro High School.

Saddleback Valley Community College, a two-year institution, is located in the adjacent Moulton

Niguel Water District. The college was opened in 1968 on a temporary site. The present, permanent campus opened in 1969. The college opened its first permanent building, a library-classroom complex in 1973. A \$3.7 million fine arts complex, including a fine arts building, a 400-seat theatre, a music building, and an art building are presently under construction. The college enrolled 13,419 in 1976/77, including 3,122 full-time students. A new satellite campus is scheduled to open in the fall of 1978 on a 20-acre site in Irvine.

The University of California, Irvine, was opened in 1965 on a 1,500-acre campus a short distance west of the District. It is the principal higher education facility in Orange County, offering undergraduate and graduate programs in a variety of fields including studies toward a Ph.D. Enrollment has grown to 9,647, including 856 in the Medical and Health Sciences School.

California State University, Fullerton, enrolls over 21,000 students at its campus located about 20 miles northwest of the District.

Community Facilities

The Saddleback Community Hospital, a 160-bed non-profit institution, is located in the neighboring community of Laguna Hills. Other hospitals in the area are the Mission Community Hospital (212 beds), Santa Ana Community Hospital (198 beds), and the 171-bed South Coast Community Hospital at South Laguna. The Leisure World Medical Center at Laguna Hills has a staff of 70 full-time physicians and 12 part-time specialists. The Beverly Manor Convalescent Center adjoins this facility.

The District is within the area served by all major Los Angeles and Orange County radio, television, and communications media.

The Cleveland National Forest, a few miles east of the District, provides many opportunities for outdoor recreation.

Recreational facilities also include a number of neighborhood parks and two private clubs within the District, three regional parks within a short distance and the Pacific Ocean, ten miles to the southwest. The three regional parks are owned and operated by Orange County. The County has also initiated development of a regional park located within the District.

O'Neill Park has 650 overnight camping facilities, a baseball diamond, picnic facilities and a riding stable. It covers 650 acres. Laguna Niguel Regional

Park includes a 45-acre lake stocked with fish, tennis courts, a riding trail and picnic and barbecue facilities within its 154 acres. Ronald W. Caspers Memorial Park is the largest in the area, covering 5,500 acres, and is open to camping, picnicking and hiking use.

Another major recreational facility developed by the county is the small craft harbor at Dana Point, southwest of the District, with berths for more than 2,000 boats.

A major nearby recreational facility is Lion Country Safari, covering 500 acres immediately west of the District. This privately operated preserve contains a variety of African animals and birds which visitors may observe at close hand during a one to one-and-one-half hour drive through the grounds.

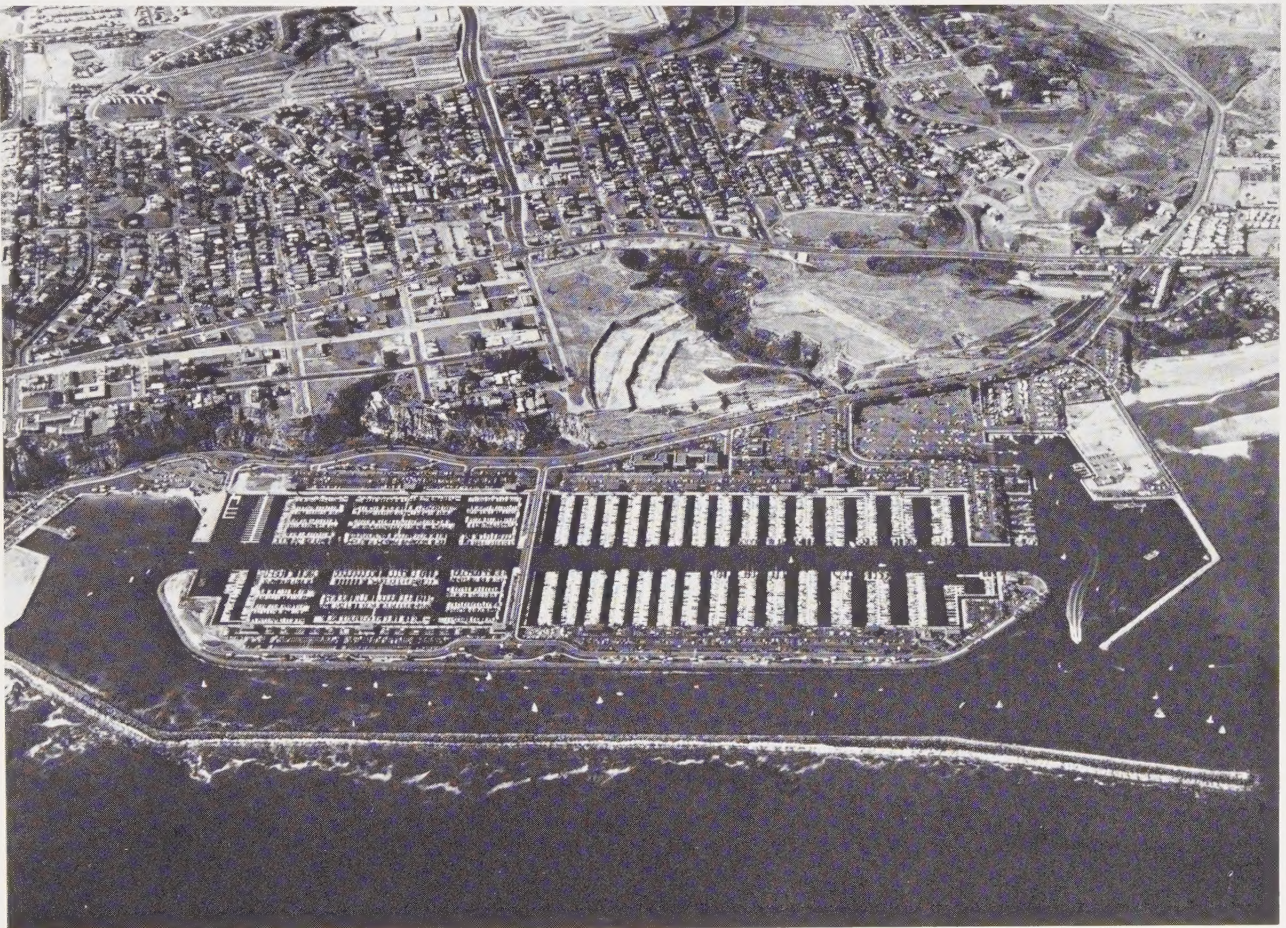
Other well-known Orange County recreational facilities include Disneyland in Anaheim, Knott's Berry Farm in Buena Park, and Mission San Juan Capistrano.

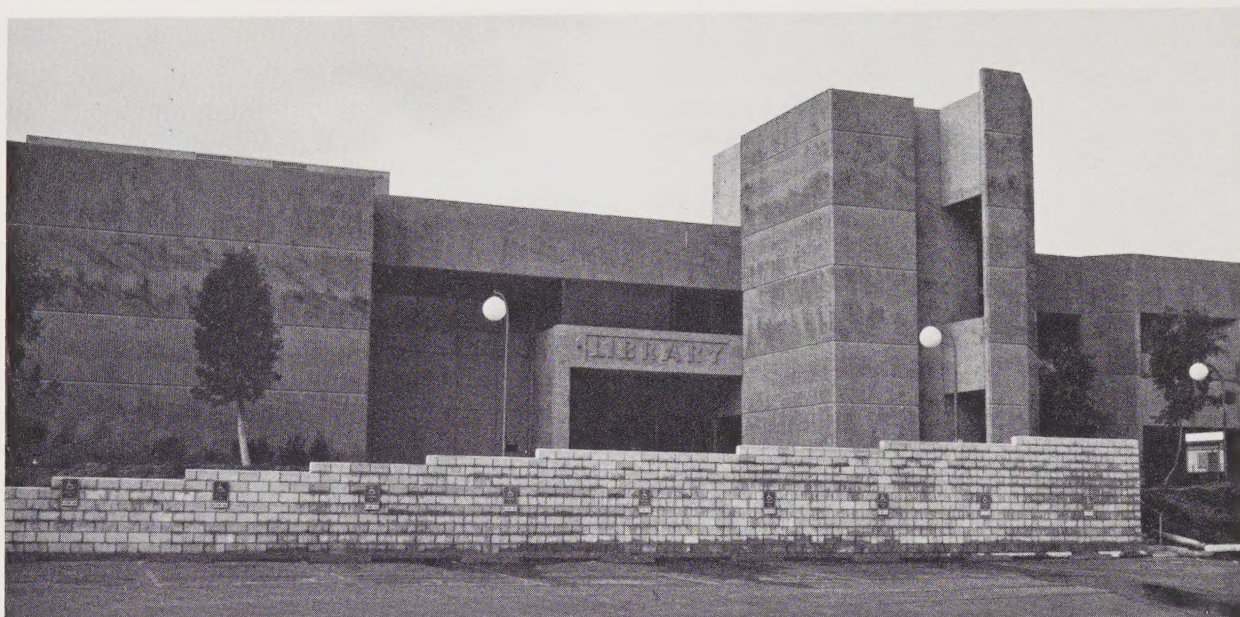
Orange County

Situated between the Pacific Ocean and the Santa Ana Mountains, Orange County is bordered by Los Angeles, San Bernardino, Riverside, and San Diego Counties. It is located 35 miles southeast of Los Angeles, 90 miles northwest of San Diego, and approximately 400 miles southeast of San Francisco. The county covers 782 square miles, and includes part of the Cleveland National Forest.

Orange County was established in 1889 as a general law county. There are five supervisorial districts governed by a Board of Supervisors. Approximately 88 percent of the county's estimated 1,768,000 residents live in 26 incorporated cities. Santa Ana, the county seat, had a January 1, 1977 estimated population of 182,000. Other major cities are Anaheim (200,000), Huntington Beach (157,800), Garden Grove (118,000), Fullerton (95,300), and Orange (83,900).

Dana Point small boat harbor was constructed by the Orange County Harbor District and the U.S. Army Corps of Engineers and provides berthing for approximately 2,800 pleasure craft.





Library building—Saddleback Valley Community College

Orange County is one of the leading growth areas of the United States. Its population more than doubled during the decade of the sixties, making it the second largest county in California, and expanded by another 18.6 percent between 1970 and 1975. One-fourth of the net population gain in California since 1970 took place in Orange County.

Although Orange County is developing rapidly as a manufacturing and professional center, there is still a substantial agricultural industry in the county. As reflected in the accompanying summaries of farm production, nursery and orchard products form the bulk of agricultural output.

ORANGE COUNTY

Gross Value of Agricultural Production

Crop	1956	1966	1976
Animal Industry ...	\$ 44,210,700	\$29,404,300	\$ 22,972,800
Apiculture ..	266,300	204,400	247,600
Field	7,147,900	2,524,500	2,134,100
Nursery	3,295,600	16,151,700	59,881,300
Orchard	39,419,500	25,163,500*	42,107,500*
Vegetables ..	13,839,500	18,531,700	26,169,200
Totals	\$108,179,500	\$91,980,100	\$153,512,500

*Includes strawberries.

Source: County Department of Agriculture.

ORANGE COUNTY

Million Dollar Crops 1976

Crop	Gross Value
Nursery Stock and Cut Flowers	\$59,881,300
Strawberries	29,569,000
Chicken Eggs	8,717,500
Valencia Oranges	7,814,200
Miscellaneous Poultry and Baby Chicks	6,984,200
Tomatoes	5,430,400
Celery	4,972,100
Avocados	3,170,200
Asparagus	2,651,600
Dairy Industry	2,569,000
Beef Cattle	2,415,700
Mushrooms	2,346,200
Sweet Corn	2,043,900
Cauliflower	1,991,100
Vermiculture	1,544,300
Beans—Green	1,262,800
Lemons	1,148,900
Miscellaneous Truck Crops	1,106,400
Cucumbers	1,065,400

Source: County Department of Agriculture.

78 01312

U.C. BERKELEY LIBRARIES



C123309471

INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

SEP 06 2024

UNIVERSITY OF CALIFORNIA

